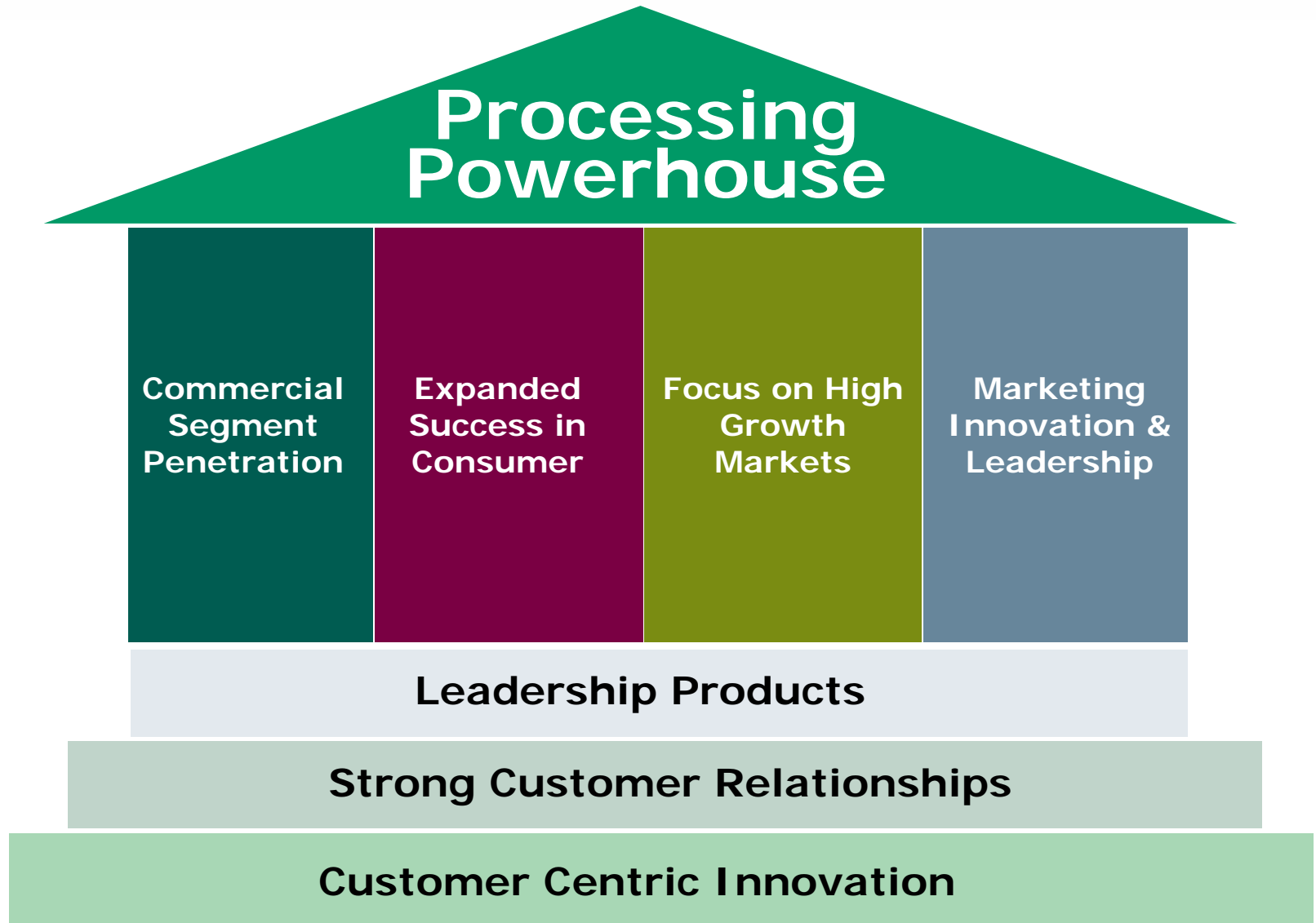




Henri Richard
Chief Sales and Marketing Officer
December 14, 2006

2006 Highlights



2006 Highlights

Processing Powerhouse

60% of F500 Customers



Volume Channels Partnerships



Share-of-shelf

AMDLive!
Beats ViiV



Retail model goes global

China Expansion

Local OEM penetration
One Laptop Per Child



the green grid™

Virtual IT Show



Pay-as-you-go



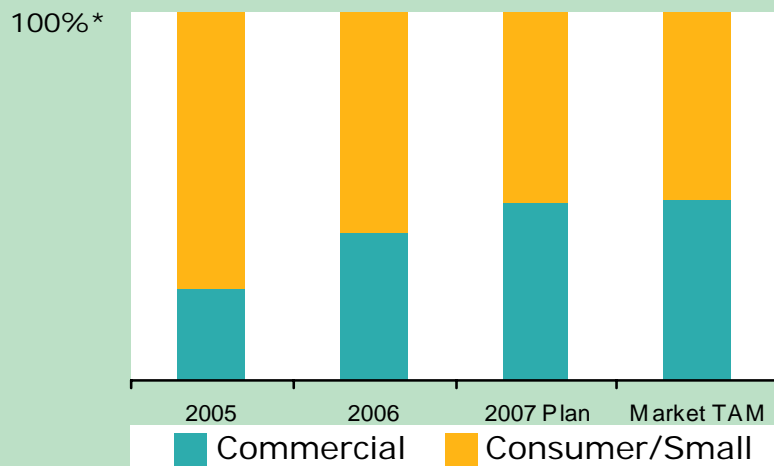
AMD Quad-FX Platform*, Energy-Efficient Athlon 64™ X2,
AMD Stream Processor™, AMD Turion™ 64 X2



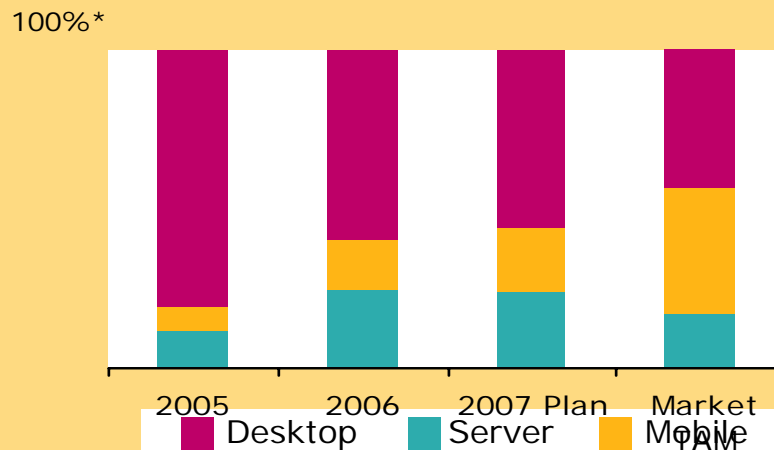
Commercial Stable Image Platform, Trinity, Torrenza, Fusion

Our Business Mix Improved

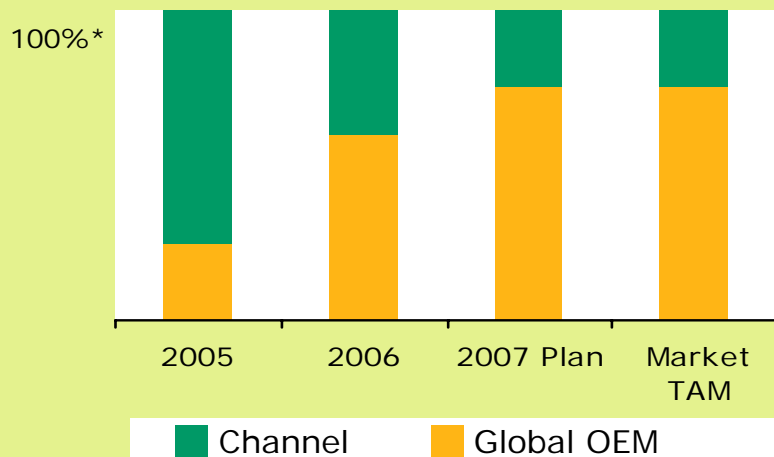
Commercial Business Growth



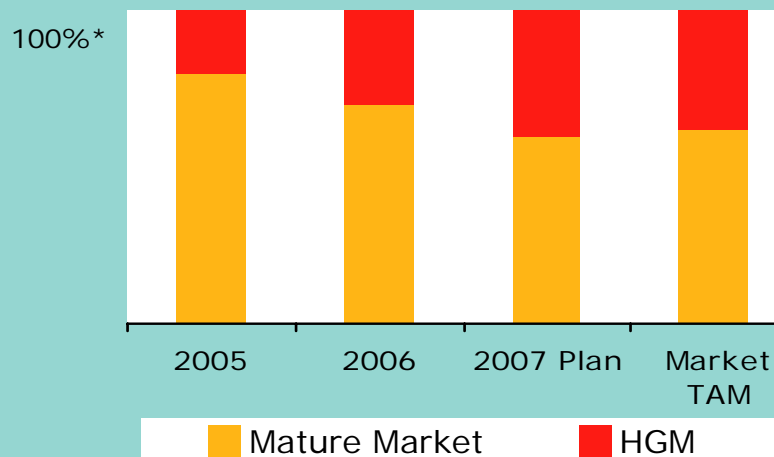
Mobile & Server Growth



Global OEM Business Growth



High Growth Market Revenue Growth

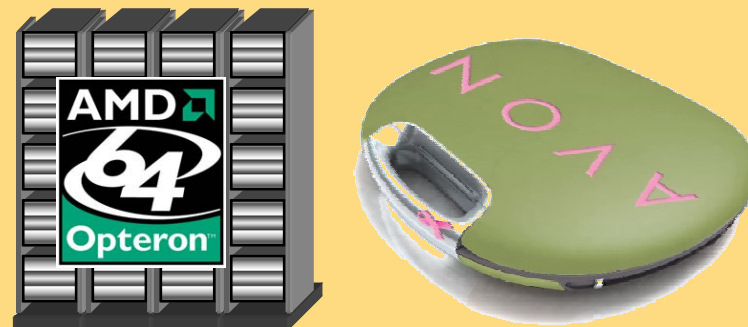


Our Business Mix Improved

Commercial Business Growth



Mobile & Server Growth



Global OEM Business Growth

10



High Growth Market Revenue Growth



Sales & Marketing is Integrated

AMD + ATI =
The New AMD

A leader in
microprocessors,
graphics, chipsets
and consumer
electronics.























Global Sales

- Integrated account coverage
- Geographic leverage
- Sales synergies
 - Product customers → Portfolio customers





















Global Marketing

- Single corporate brand
- Brands rationalized by market
- Integrated Go-To-Market campaigns
 - Debuts with Windows Vista™

Clear and Simple Branding Strategy

Prior	GPU		Intel Chipset	AMD Chipset	CPU	SOC		
	PC	Game Console			Server/WS Notebook Desktop	Handheld	DTV	Embedded
								
Today	GPU		Intel Chipset	AMD Chipset	CPU	SOC		
	PC	Game Console			Server/WS Notebook Desktop	Handheld	DTV	Embedded
								
	 Consumer-visible ATI leads (from AMD)		 ATI as-is	 AMD lead (ATI as feature)		 AMD only		
Today	Lead in sub-segments of the processor category: Server, enthusiast, power-efficient, better value							

Clear and Simple Branding Strategy

Prior	GPU		Intel Chipset	AMD Chipset	CPU	SOC		
	PC	Game Console			Server/WS Notebook Desktop	Handheld	DTV	Embedded
								
Today	GPU		Intel Chipset	AMD Chipset	CPU	SOC		
	PC	Game Console			Server/WS Notebook Desktop	Handheld	DTV	Embedded
								
	 Consumer-visible ATI leads (from AMD)		 ATI as-is	 AMD lead (ATI as feature)		 AMD only		
Future	Own a new category: Accelerated Processing a.k.a "Fusion"							

OUR FUTURE
IS
BRIGHT





The New AMD and the Next Generation

Youth - "I need my phone"

- 76% text on their phone
- 45% stream video on PC

Young Adults - "I need my PC"

- 43 hours of multimedia per week
- PCs and laptops are life-essential

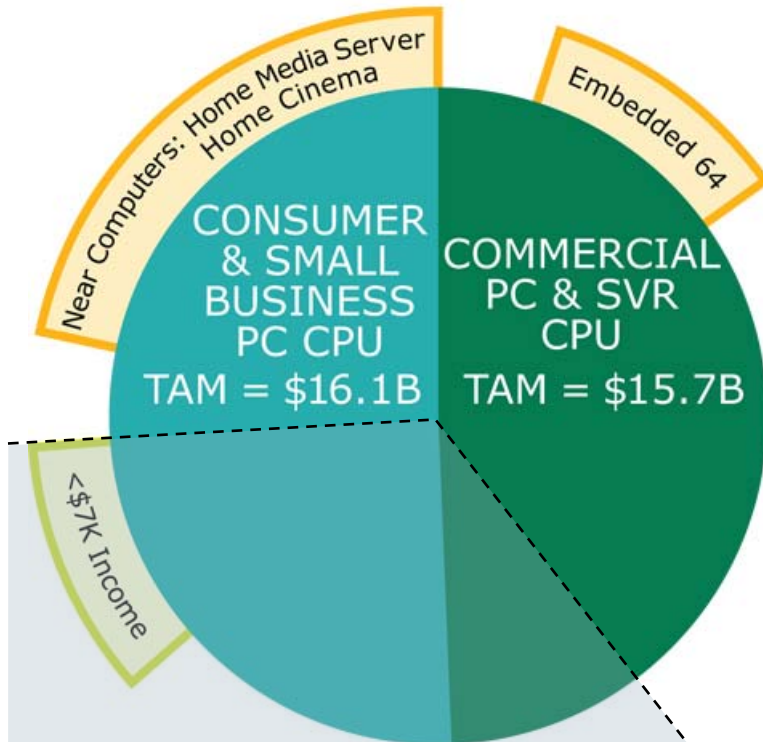
Gen X & Boomers - "I need my DTV"

- Embrace DTV, HDTV and DVR
- PCs and phones are necessary

Source: Forrester Research

Our Opportunity Is Expanding

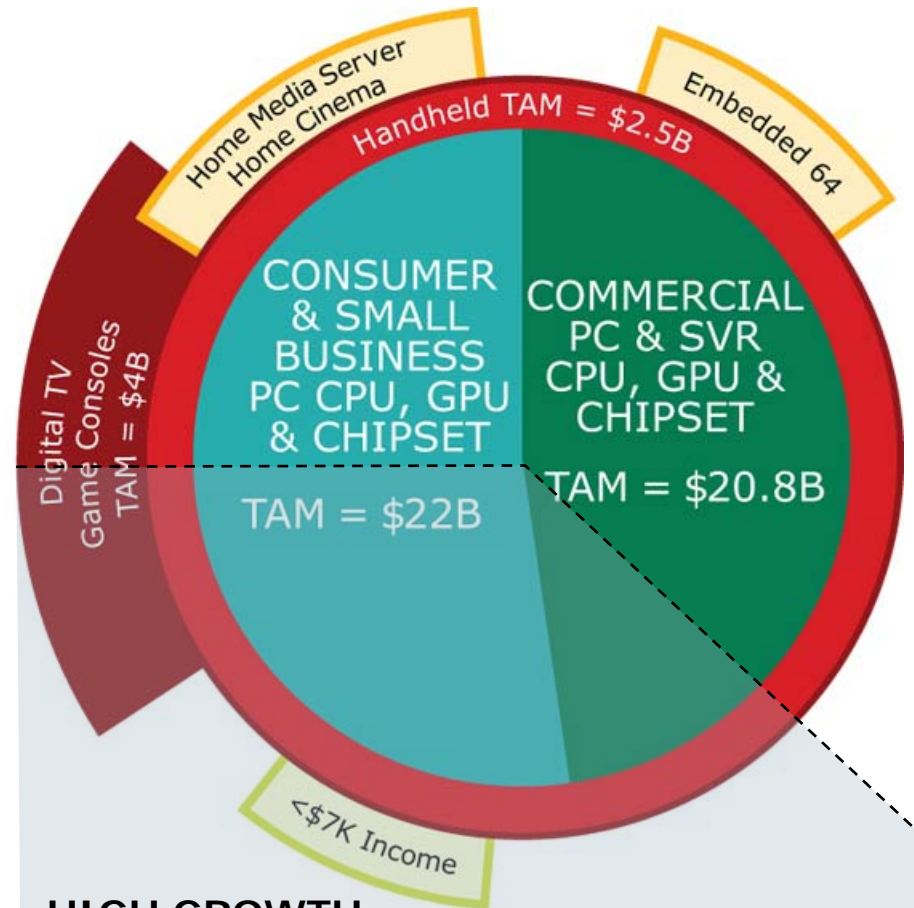
Prior AMD View



**HIGH GROWTH
MARKETS* OVERLAY**

TAM = \$13.2B

New AMD View



**HIGH GROWTH
MARKETS* OVERLAY**

TAM = \$16.8

* Defined as all geographies outside NA, Western Europe and Japan

Sources: Mercury Dataquest, Jon Peddi, AMD calculations

Our Customer Base Is Expanding



TOSHIBA



NOKIA

lenovo 联想

SONY



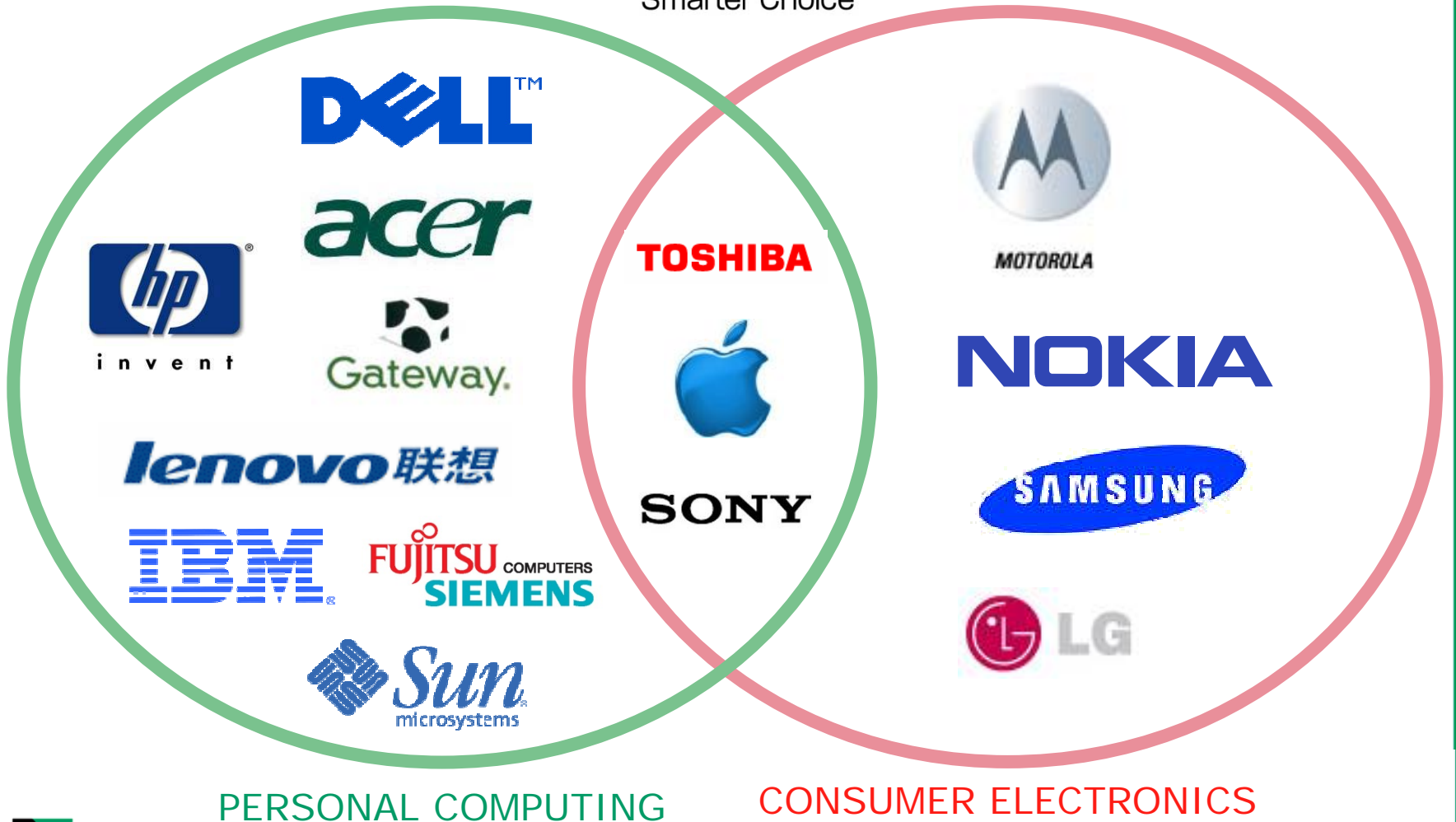
FUJITSU COMPUTERS
SIEMENS



PERSONAL COMPUTING

CONSUMER ELECTRONICS

Our Customer Base Is Expanding



Our Product Choices Are Expanding

OEM Customers:

New Products,
Stronger Value
Propositions



Commercial stability /
Best-in-class / Open
standards

End User Customers:

New Solutions

Today:
Home Cinema:
CE Outside, PC & CE
Inside



Tomorrow:
Turion64x2 Content Creation Laptop

- Seamless roaming
- HD video camera cell phone
- Adobe Premiere
- 3G or Wi-Fi
- "QuickConnect" to YouTube



Commercial IT: SERVERS

2007 Market:

\$6.5B Servers & Workstations;
CPU, GPU & Chipset

Source: Mercury Research, John Peddie Research, AMD estimate

Top of Mind:

- Better performance → Efficient usage
- Better security and manageability
- Reduced complexity; Increased stability
- Workload specific processing on industry standard processor

PERFORMANCE/WATT/\$\$

VIRTUALIZATION

x64

OPEN INNOVATION

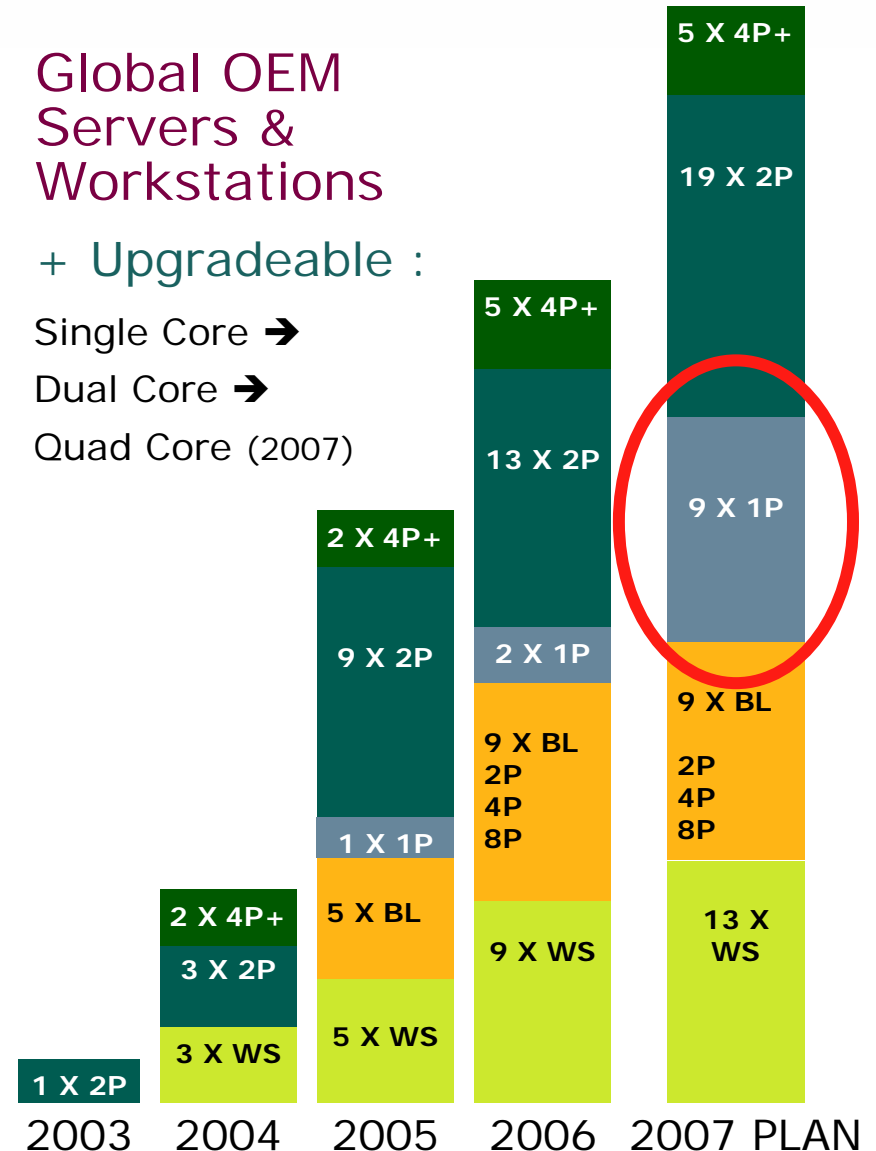
Global OEM Servers & Workstations

+ Upgradeable :

Single Core →

Dual Core →

Quad Core (2007)



Commercial IT: CLIENTS

2007 Market:

\$8.2B Desktop

\$6B Mobile

Source: Mercury Research, AMD estimate

Top of Mind:

- Workforce Productivity
 - Mobility & connectivity
 - Windows Vista™ performance
 - Security
- Platform stability
- Cross-platform compatibility

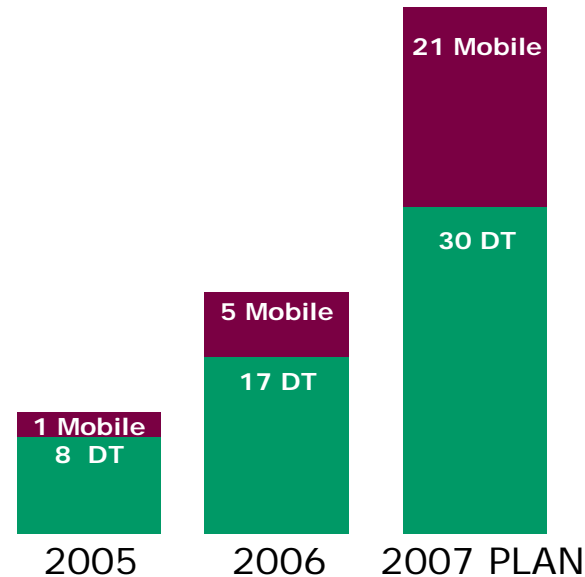
OPTIMAL PLATFORM
PERFORMANCE

RAIDEN

TRINITY

IMPROVED VALUE

Top Global OEM Commercial Client Offerings



Gartner predicts a 5% market move to Commercial Vista in 2007 ~21Mu

Consumer IT: DESKTOP & GAME CONSOLE



2007 Market:

\$12.9B DT CPU, GPU, Chipset

Source: Mercury research, AMD estimate

\$2B Game Console SOC

Source: AMD estimate

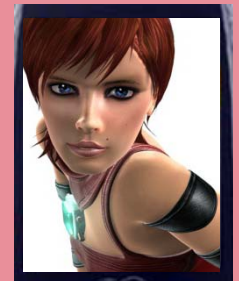
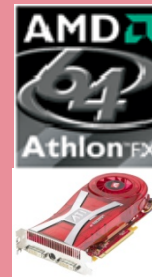
Top of Mind:

- Graphics and sound quality
 - Viewing, creating, sharing content
- Ease of use and form-factors
 - Lifestyle attributes
- PC ownership & Internet access in High Growth Markets

Exclusive: Dynamic Video Decoding



More Realistic 3D Gaming



DIRECTX10, HD, UVD
RADEON for WINDOWS VISTA AERO
AMD LIVE!
COMPELLING HGM SOLUTIONS



Consumer IT: MOBILE

2007 Market:

\$9.1B CPU, GPU, Chipset

Source: Mercury Research, AMD estimate

Top of Mind:

- No compromise over a desktop PC
- Fashionable, cool, quiet, lightweight
- Notebook for personal multi-media
- Smooth user experience

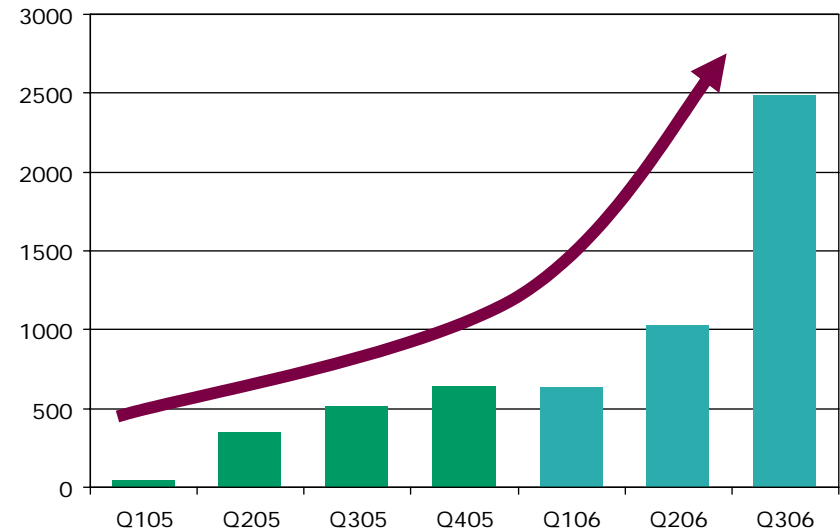
SCALABLE CHIPSETS & GRAPHICS

DESKTOP PERFORMANCE &
VALUE PARITY

AVIVO

HD ENABLED

Turion64 Shipment Growth



Multi-media enabled
notebooks

The Ultimate Windows Vista Experience

Better Performance

- Best-of-breed processor, graphics, wireless
- AMD 64-bit & dual core processing technologies

More Entertaining

- ATI TV Wonder digital cable tuner
- AMD Live!

More Visual

- ATI Radeon graphics & Hi-Def video
- Avivo video & display technology

More Secure & Stable



Together we
help you get
the best from
Windows Vista.

- Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam non
- Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam non
- Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam non



Consumer Electronics: DIGITAL TV

2007 Market:

\$1.8B

42% CAGR 2004-2010

Source: DisplaySearch, IMS Research, AMD estimate

Top of Mind:

- Hi-Def enabled
- Price point
- Connectivity options
- Living room friendly

XILLEON™ SoC

AVIVO™ SOFTWARE

PRICE-PERFORMANCE

IMAGE / SOUND QUALITY

Market Leader in iDTV

SONY

GRAND
WEGA

BRAVIA



Complete, Scalable Offering

- High-end: performance oriented
- Mid-range & LCD TV: balanced system
- Cost-sensitive LCD TV / CRT TV

Consumer Electronics: HANDHELD

2007 Market:

\$4B

25% CAGR

Source: AMD estimate

Top of Mind:

- Feature convergence
 - 3D graphics, video, music
- Business model evolution
 - Communication → multi-media → transactions

ENERGY PER APPLICATION
MULTIMEDIA PROCESSOR &
VIDEO PERFORMANCE
FORM FACTOR
NEXT GEN QUALITY

Designs with 5 of top 7 OEMs

NOKIA
Connecting People

SAMSUNG

MOTOROLA

LG

SONY



RIZR



**Advanced
acoustics and
5 mega-pixel
image
processing**

2007 PRIORITIES

Processing Powerhouse

Commercial Segment Penetration	Expanded Success in Consumer	Focus on High Growth Markets	Marketing Innovation & Leadership
1P Servers Client stability Platform performance	Consumer electronics Notebook value proposition	Expanded global presence Gov't. & OEM partnerships Low-cost PC	Platforms Empower OEMs Cross-over opportunities
Ultimate Windows Vista Experience			



Trademark Attribution

AMD, the AMD Arrow logo and combinations thereof are trademarks of Advanced Micro Devices, Inc. in the United States and/or other jurisdictions. Other names used in this presentation are for identification purposes only and may be trademarks of their respective owners.

©2006 Advanced Micro Devices, Inc. All rights reserved.